U.S. Department of State Office of Language Services Translating Division Fernador petin July 15, 2002

LS No. 08-2002-0056 ME/JPM Spanish

Republic of Ecuador Ministry of Foreign Relations

[Stamped: Protocol Received 7/8/02]

[IP-095]

No. 33975/2002 -DGSL

The Ministry of Foreign Relations, Bureau of Sovereignty and Borders, presents its compliments to the Embassy of the United States of America and has the honor to refer to the Air Transportation Agreement, with annexes, signed by representatives of our two governments at Washington, on September 26, 1986; and to the exchange of notes at Quito on October 23 and December 19, 1995, which modified Annex I to the 1986 Agreement; as well as the exchange of notes in Quito on May 20 and July 1, 1999, extending the application of the 1986 Agreement (as amended) through June 30, 2000.

The Ministry of Foreign Relations, Bureau of Sovereignty and Borders, refers also to a note from the Embassy of the United States, No. 175/01 of December 20, 2001 and to the Ministry's Note No. 9392/2002-DGSL of February 21, 2002, regarding further extension of the application of the 1986 Agreement.

Embassy of the United States of America, Quito.

In accordance with consultations held between our two governments on May 29 and 30, 2002, the Ministry of Foreign Relations, Bureau of Sovereignty and Borders, on behalf of the Government of Ecuador, proposes that appropriate authorities of the Republic of Ecuador and the United States of America continue to permit operations in accordance with the terms of the 1986 Agreement; and that Annex I, as amended, and Annex II of the 1986 Agreement, regulate air services between the two countries until June 30, 2003.

In accordance with the understanding reached in the aforementioned consultations, the Ministry of Foreign Relations, Bureau of Sovereignty and Borders, further proposes that Section 3 (1) and (2) of Annex I to the 1986 Agreement, as applied to both countries, be amended as follows:

Quote: (1) The airlines designated by each of the Parties may operate a maximum number of round-trip flight combinations per week on the routes specified in Section 2 of this Annex, as follows:

Between a point or points in Ecuador and the following gateways in the United States:

Miami	23
New York	15
Any point (footnote 1)	11
Points other than Miami or New York (footnote 2)	11

For the purpose of determining these frequencies, the term "gateway" is understood to be the first point of entry into or the last point of departure from territory of either of the Parties.

(Footnote 1): To be assigned by each government among all gateways permitted under Section 2 of this Annex.

- 3 -

(Footnote 2): To be assigned by each government among all gateways permitted under

Section 2 of this Annex, excluding Miami and New York.

(2) The airlines designated by each Party for all cargo services may operate a maximum

of 30 round-trip flights per week on the routes specified in Section 2 of this Annex. Unquote.

The Ministry of Foreign Relations, Bureau of Sovereignty and Borders, further proposes

that Section 3 (3) of Annex I of the 1986 Agreement not be applied to our two countries.

The Ministry of Foreign Relations, Bureau of Sovereignty and Borders, proposes that, if

acceptable to the Government of the United States of America, this note and the Embassy's note

No. 069/02 of July 15, 2002, shall constitute an agreement between the Republic of Ecuador and

the United States of America, to enter into force on this date.

The Ministry of Foreign Relations, Bureau of Sovereignty and Borders, avails itself of

this opportunity to renew to the Embassy of the United States of America the assurances of its

highest consideration.

Quito, July 15, 2002

[Initialed]

[Bureau stamp]